

095 - Office of State Auditor

A001 Administrative Activity

This activity provides for the administration of the Office of the State Auditor.

	FY 2006	FY 2007	Biennial Total
FTE's	11.2	11.2	11.2
GFS	\$57,000	\$85,000	\$142,000
Other	\$1,360,000	\$1,397,000	\$2,757,000
Total	\$1,417,000	\$1,482,000	\$2,899,000

Statewide Result Area: Strengthen the ability of state government to achieve results efficiently and effectively

Statewide Strategy: Governance

Expected Results

Provide oversight and leadership over programs within the State Auditor's Office including the agency's risk management program.

Decrease the dollar amount of total idemnities paid for tort claims by 5 percent for each of the next three fiscal years.				
Biennium	Period	Target	Actual	Variance
2005-07	FY2007	\$5,225		
	FY2006	\$5,500		
Not measured prior to the 2005-2007 biennium.				

A002 Audit of School Programs

The School Programs audit team assesses school district compliance with legal criteria that must be met as a condition for receiving General Fund monies. There are 296 school districts subject to this audit effort. The team also assists the Special Education Safety Net Committee, works with staff of the Office of Superintendent of Public Instruction on audit resolution, and provides training for school district staff.

	FY 2006	FY 2007	Biennial Total
FTE's	7.6	7.6	7.6
GFS	\$754,000	\$746,000	\$1,500,000
Other	\$0	\$0	\$0
Total	\$754,000	\$746,000	\$1,500,000

Appropriation Period: 2005-07 Activity Version: 51 - 2006 Governor's Proposed Supplement

Statewide Result Area: Strengthen the ability of state government to achieve results efficiently and effectively

Statewide Strategy: Governance

Expected Results

To verify the accuracy of school district data submitted for funding purposes.

Percentage of customers generally and very satisfied with the results of our K-12 audit work. Pertinent staff of the fiscal committees of the Legislature and the Office of Superintendent of Public Instruction will be surveyed.				
Biennium	Period	Target	Actual	Variance
2005-07	FY2007	86%		
	FY2006	85%		
Not measured prior to the 2005-2007 biennium.				

A003 Audits of Local Government

The Office of the State Auditor independently audits local governments at least every three years, with the exception of self-insurance plans, which are audited on a two-year cycle. There are approximately 2,400 local government entities, including counties, cities, schools, ports, public utilities, hospital districts, and fire districts. Auditors use a risk-based approach which focuses on public resources most likely to be at risk of loss or misappropriation. Beyond examining the financial condition, accounting and reporting by local governments, the audits assess compliance with the Constitution, state laws, and local government ordinances. Any report disclosing malfeasance, misfeasance or nonfeasance in office on the part of local government officers or employees is referred to the county prosecuting attorney or federal government for recovery of funds and prosecution. Bond rating agencies rely on these audit reports in performing their assessments. (Municipal Revolving Account - Nonappropriated)

	FY 2006	FY 2007	Biennial Total
FTE's	218.2	229.3	223.8
GFS	\$0	\$0	\$0
Other	\$16,564,000	\$16,639,000	\$33,203,000
Total	\$16,564,000	\$16,639,000	\$33,203,000

Statewide Result Area: Strengthen the ability of state government to achieve results efficiently and effectively

Statewide Strategy: Governance

Expected Results

To provide independent, quality audits of local governments in accordance with generally accepted government auditing standards at a reasonable cost.

Audit cost containment as measured by the average cost of audit compared to the total expenditures audited by entity type.				
Biennium	Period	Target	Actual	Variance
2005-07	FY2007	0.06%		
	FY2006	0.06%		
<i>Not measured prior to the 2005-2007 Biennium.</i>				

Percentage of bond rating agencies generally and very satisfied with the overall quality of local government audits.				
Biennium	Period	Target	Actual	Variance
2005-07	FY2007	95%		
	FY2006	92%		
<i>Not measured prior to the 2005-2007 Biennium.</i>				

Percentage of local governments generally and very satisfied with the overall quality of local government audits. The measurement of overall quality includes an assessment of accuracy of fact, fairness, and value.				
Biennium	Period	Target	Actual	Variance
2005-07	FY2007	88%		
	FY2006	86%		
<i>Not measured prior to the 2005-2007 Biennium.</i>				

A004 Audits of State Government

The office audits annually the basic financial statements prepared by the Office of Financial Management. This audit includes an examination of internal controls over public resources and compliance with the Constitution and federal and state laws and regulations. The audit meets legal requirements contained in the Congressional Single Audit Act. There are 168 state agencies, boards, and commissions subject to this audit effort, which uses a risk-based approach to focus on public resources at highest risk of loss or misappropriation. Audits of state agencies disclosing malfeasance, misfeasance or nonfeasance on the part of any public officer or employee are referred to the Office of the Attorney General or federal government for recovery of funds and prosecution. Bond rating agencies rely on state government audits in performing their assessments. (Auditing Services Revolving Account)

	FY 2006	FY 2007	Biennial Total
FTE's	79.8	79.8	79.8
GFS	\$(1,030,000)	\$(1,695,000)	\$(2,725,000)
Other	\$6,339,000	\$6,280,000	\$12,619,000
Total	\$5,309,000	\$4,585,000	\$9,894,000

Statewide Result Area: Strengthen the ability of state government to achieve results efficiently and effectively

Statewide Strategy: Governance

Expected Results

To provide independent, quality audits of state government in accordance with generally accepted government auditing standards at a reasonable cost.

Audit cost containment as measured by the total cost of audit compared to total state expenditures audited.				
Biennium	Period	Target	Actual	Variance
2005-07	FY2007	0.02%		
	FY2006	0.02%		
Not measured prior to the 2005-2007 Biennium.				

Percentage of bond rating agencies generally and very satisfied with the overall quality of state government audits.				
Biennium	Period	Target	Actual	Variance
2005-07	FY2007	95%		
	FY2006	92%		
Not measured prior to the 2005-2007 Biennium.				

A005 Investigating Improper Governmental Actions

The Office of the State Auditor administers the state employee whistleblower program which encourages state employees to disclose, to the extent not expressly prohibited by law, improper governmental actions. Improper governmental action means any action by an employee undertaken in the performance of the employee's official duties, which is a gross waste of public funds or resources or in violation of federal or state law or rule, if the violation is not merely technical or of a minimum nature, or of substantial and specific danger to the public health or safety. (Auditing Services Revolving Account)

	FY 2006	FY 2007	Biennial Total
FTE's	4.0	4.0	4.0
GFS	\$0	\$0	\$0
Other	\$373,000	\$352,000	\$725,000
Total	\$373,000	\$352,000	\$725,000

Statewide Result Area: Strengthen the ability of state government to achieve results efficiently and effectively

Statewide Strategy: Governance

Expected Results

Appropriation Period: 2005-07 Activity Version: 51 - 2006 Governor's Proposed Supplement

To investigate and report, in a responsive and unbiased manner, assertions of improper activities in state government.

Percentage of assertions of improper governmental actions resolved.				
Biennium	Period	Target	Actual	Variance
2005-07	FY2007	92%		
	FY2006	90%		
Not measured prior to the 2005-2007 Biennium.				

A006 Local Government Budgeting, Accounting and Reporting System and Statistics

The Office of the State Auditor, in collaboration with local governments, sets uniform accounting standards for local governments, allowing for consistent reporting of data, timely analysis, and greater public understanding. The office helps local governments meet these standards by providing technical assistance and training. Each year, the office works with local governments to update the Budgeting, Accounting, and Reporting Systems (BARS) for local governments. Annually, the office publishes a compilation of local government comparative statistics, a 10-year history of financial information for comparing entities and analyzing programs. Bond rating agencies often rely on the local government financial reporting system in performing their assessments. (Municipal Revolving Account-Nonappropriated)

	FY 2006	FY 2007	Biennial Total
FTE's	5.7	5.7	5.7
GFS	\$0	\$0	\$0
Other	\$492,000	\$503,000	\$995,000
Total	\$492,000	\$503,000	\$995,000

Statewide Result Area: Strengthen the ability of state government to achieve results efficiently and effectively

Statewide Strategy: Governance

Expected Results

To establish uniform systems of budgeting, accounting, and reporting for local governments by class and entity type and to collect and report consistent, timely, and reliable local government financial information.

Appropriation Period: 2005-07 Activity Version: 51 - 2006 Governor's Proposed Supplement

Percentage of users generally and very satisfied with local government budgeting, accounting, and reporting systems.				
Biennium	Period	Target	Actual	Variance
2005-07	FY2007	88%		
	FY2006	88%		
Not measured in the 2001-2003 Biennium				

A007 Performance Audits

The Office of the State Auditor conducts independent performance audits of agencies in the executive, judicial, and legislative branches of government. This authority was granted pursuant to voter approval of Initiative 900 in the 2005 election, as well as two measures passed by the 2005 Legislature (ESHB 1064 and ESSB 6102).

	FY 2006	FY 2007	Biennial Total
FTE's	0.0	0.0	0.0
GFS	\$1,073,000	\$1,610,000	\$2,683,000
Other	\$1,902,000	\$1,900,000	\$3,802,000
Total	\$2,975,000	\$3,510,000	\$6,485,000

Statewide Result Area: Strengthen the ability of state government to achieve results efficiently and effectively

Statewide Strategy: Governance

Expected Results

To contract with private firms to conduct independent performance audits of state government.

ZZZX Other Statewide Adjustments

This item reflects proposed compensation and other adjustments that were not allocated to individual agency activities. The agency will assign these costs to the proper activities after the budget is enacted.

	FY 2006	FY 2007	Biennial Total
FTE's	0.0	0.0	0.0
GFS	\$(2,000)	\$(5,000)	\$(7,000)
Other	\$0	\$192,000	\$192,000
Total	\$(2,000)	\$187,000	\$185,000

Statewide Result Area: Strengthen the ability of state government to achieve results efficiently and effectively

Statewide Strategy: Human resources support for government agencies

Grand Total

	FY 2006	FY 2007	Biennial Total
FTE's	326.5	337.6	332.1
GFS	\$852,000	\$741,000	\$1,593,000
Other	\$27,030,000	\$27,263,000	\$54,293,000
Total	\$27,882,000	\$28,004,000	\$55,886,000